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DE RUEHNE #0193/01 0181217
ZNR UUUUU ZZH
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FM AMEMBASSY NEW DELHI
TO RUEHC/SECSTATE WASHDC IMMEDIATE 0079
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 6727
RUEHMO/AMEMBASSY MOSCOW 2519
RUEHKO/AMEMBASSY TOKYO 5477
RUEAIIA/CIA WASHDC
RHEHNSC/NSC WASHDC
RUEIDN/DNI WASHINGTON DC
RUEHGV/USMISSION GENEVA 7490

UNCLAS SECTION 01 OF 02 NEW DELHI 000193

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DEPT FOR SCA/INS

E.O. 12958: N/A

TAGS: [PGOV](#) [PREL](#) [SOCI](#) [EINV](#) [ECON](#) [IN](#)

SUBJECT: NRI CONFERENCE CONNECTS INDIA TO ITS DIASPORA

11. (U) Summary: Critics called the sixth Pravasi Bharatiya Divas, an annual gathering of overseas Indians, nothing more than a talk shop. However, the event draws a large crowd and more press coverage every year and participants appeared content engaging informally with old friends and making new contacts. The two-day event, filled with presentations, networking sessions and cultural nights, highlighted the 25 million strong world wide diaspora's heightened engagement with India and reinforced the idea of a truly global diaspora. The GOI laid out the red carpet, with the Prime Minister and the President making remarks at the conference. Social issues were billed as the primary focus of the convention, but investment by overseas Indians and the US-India civil nuclear agreement featured prominently as well. End Summary.

Chai and Samosa for 1500

12. (U) The sixth Pravasi Bharatiya Divas (PBD), an annual gathering of Non-resident Indians (NRIs) and persons of Indian origin (PIO) organized by Indian Ministry of Overseas Indian Affairs (MOIA) and the Federation of Indian Chambers of Commerce and Industry (FICCI), concluded on January 9 in New Delhi. Approximately 1,500 visitors of Indian origin from 50 countries attended the conference. The program is the annual flagship event of the MOIA and featured several keynote speakers including Prime Minister Singh, Indian President Pratibha Patil and chief guest, Mauritian Prime Minister Dr. Navinchandra Ramgoolam. Delegates were treated to presentations and Q&A sessions with prominent Indian personalities and evening performances featuring Bollywood stars. Yet, the afternoon chai sessions provided the best opportunities for networking and were the most widely attended.

The States Move to the Center

13. (U) The growing influence of the states in Indian politics was quite evident at the PBD. Seven state chief ministers attended and hosted events at the PBD. Narendra Modi of Gujarat -- always a hit with NRIs -- clearly stole the show. Donning a full suit (and tie!) for the occasion, he was the most prominent face from the Opposition. Delegates carried around vibrant Gujarat bags and a Q&A session hosted by Modi was widely attended. Modi invited delegates to his own mela in Gujarat -- a much sought after invitation in the NRI business community.

Investment Potential Still Unrealized

¶4. (U) Given the high financial profile of the Indian diaspora, investment by overseas Indians in India falls far short of its potential. While there is an interest among overseas Indians to invest in India, bureaucratic red tape often makes the process cumbersome. A key initiative of the PBD includes an Overseas Indian Facilitation Center for business promotion, although what this center will do exactly remains unclear. Commerce and Industry Minister Kamal Nath focused on the need for overseas Indians to support small and medium scale industries. Making a direct comparison to China, whose diaspora invests heavily in the country's economy, Nath urged the overseas Indians to &lend their intellectual and entrepreneurship resources to build the Indian SME (small and medium scale industries) sector.⁸ Nath cited investment from overseas Chinese in SMEs as &the key to China,s success.⁸

The Nuke Deal and USINPAC,s Impact

¶5. (U) The United States was well represented at the 2008 PBD with 125 Indian Americans participating -- the second largest delegation sent from a single country. In the inaugural address, Indian Prime Minister Manmohan Singh highlighted the role of Indian Americans in the evolution of the US-India Civil nuclear agreement, as the agreement featured prominently at the event. (The PBD official logo even resembled a nuclear reaction painted with the colors of the Indian flag.) In a separate meeting with Embassy

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officials prior to the PBD conference, USINPAC representatives noted that the most important issue continued to be the new US-India relationship; the civil nuclear agreement was merely one aspect of that relationship. USINPAC agreed to continue working with the Embassy on broadening the relationship to include other areas of cooperation.

A New Ministry

¶6. (U) After decades of keeping the Indian diaspora at arm's length, New Delhi is finally embracing it. In 2004, the Indian government established a new ministry dedicated to nurturing India,s new relationship with its former citizens. The main objective of the Ministry of Overseas Indian Affairs (MOIA) is to &promote, nurture and sustain a mutually beneficial and symbiotic relationship between India and its diaspora.⁸ The Ministry promotes the international profile of overseas Indians and launched its flagship event, the Pravasi Bharatiya Divas in 2003. The ministry also assists overseas Indians with adoptions, remittances and encourages investment in India by NRIs and PIOs. The MOIA website also provides a variety of resources, including an Overseas Indian guidebook and a &trace your roots⁸ link -- coming soon.

India Invests in GenNext

¶7. (U) In a move to engage with the next generation of overseas Indians, the MOIA sponsors Know India, a robust youth program. Poloff spoke with several Know India participants at the PBD, many of whom were visiting India for the first time. While many established NRI businessmen traded cards on the sidelines of the event, these young overseas Indians seemed most concerned about social issues, such as education and women,s rights.

Comment: Evolving Indian View of Diaspora

18. (U) Once &NRI8 meant non-returning Indian. They were viewed with suspicion and disrespect for abandoning India. Now, NRIs are leaders in almost every field, garnering grudging respect from Indians. The growing media coverage of the conference, increased participation by senior GOI and state officials as well as the creation of the MOIA reflects the continually evolving Indian view of its ethnic diaspora. While investment alone cannot dominate the agenda, India,s willingness to engage with its former citizens and utilize their talents and resources as the country modernizes is certainly a positive development. It remains to be seen whether the new initiatives announced during the PBD move forward as quickly as the GOI would like. Direct people-to-people exchanges remain the most efficient way for overseas Indians to contribute to India,s development. The most important thing the GOI can do is ensure that the bureaucracy fights its usual urge to meddle, delay, obstruct and obfuscate. End Comment.
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